

Statement for the Record of Congresswoman Anna G. Eshoo

Subcommittee on Consumer Protection and Commerce

House Committee on Energy and Commerce

Protecting Consumer Privacy in the Era of Big Data

2123 Rayburn House Office Building

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I thank Chairwoman Jan Schakowsky for holding today's hearing and for allowing me to waive on to the Subcommittee on Consumer Protection and Commerce for this hearing.

Three important events set the table for our debate about online privacy. In March 2018, we learned that Cambridge Analytica abused Facebook data to harm our democracy. In May 2018, the European Union's General Data Protection Regulation went into effect. And in June 2018, then-Governor Jerry Brown signed into law the California Consumer Privacy Act. These three events have created the context within which I'm hopeful that Congress may be able to pass privacy legislation to protect all Americans. We should keep the lessons of each of these events in mind as we debate any privacy legislation.

I have long called for protecting users' privacy online, and I reiterate my commitment to ensuring Congress passes strong and enforceable privacy legislation. However, not all privacy proposals are equal. Strengthening disclosures and simply expanding our "notice and consent" regime would be woefully insufficient for protecting users' privacy. We must shift the burden of privacy away from consumers who do not—and could not possibly—read hundreds of privacy policies that each run thousands of words long. A federal law should require that companies minimize collection of personal data, give users access to and control of their data, eliminate problematic types of third-party data exchange, and institute safeguards to secure user data.

Further, too many people are calling for preemption when we haven't even agreed on the contours of what the law should include. As Congress debates national privacy standards, it should take care not to undermine California's groundbreaking privacy law. Instead, Congress should pass baseline privacy protections that bring the same—or stronger—safeguards to all Americans.

I represent much of Silicon Valley, and yes that includes some of the large tech companies that are at the center of the problems privacy legislation aims to solve. I also represent a thriving startup ecosystem. In my district, Y Combinator, the most successful startup accelerator in the world, has funded nearly 2,000 startups since 2005. These startups should be seen as part of the solution. Congress should consider proposals, such as data portability, that support privacy by encouraging competition.

Nearly every stakeholder is calling for a federal privacy law. I'm hopeful that now is the time we will be able to pass something that truly protects Americans online.